

**Society for  
Private  
And  
Commercial  
Earth Stations**

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November 5, 1981

Chairperson Barbara Rose-Collins  
Committee on Urban Affairs  
House of Representatives  
State Capitol  
Lansing, Michigan 48909

Re: House Bill No. 4820  
Comments of SPACE

Dear Chairperson Rose-Collins:

SPACE (the Society for Private And Commercial Earth Stations) is a trade association representing the owners, distributors and manufacturers of TVRO satellite receive-only earth stations. Our membership consists of major New York Stock Exchange and smaller companies, as well as individuals who own satellite receive-only dishes. **Sports Illustrated** recently estimated that our industry is a \$100,000,000 business with 30,000 such dishes already in place throughout the nation.

Satellite receive-only earth stations are providing numerous benefits for the American consumer. Many Americans, particularly those in rural areas, are not now, and may never be, served by cable television. Earth stations provide rural Americans with the only means of access to programming available on the U.S. domestic satellites. Much of this programming is supported by voluntary viewer contributions. This is true particularly for the nearly half dozen religious channels available on the U.S. domestic satellites. Other programming available from the satellite is advertising-supported and available free of charge (as is commercial television broadcasting.) Other services, such as the subscription channels (HBO, Showtime), are also technologically available on the same satellite as those mentioned above. The providers of subscription services do not encode their transmission on the satellite. The owner of a satellite receive-only earth station can receive both subscription and non-subscription services by merely tuning the dial of the receiver like you turn the dial of a television set.

The presence of the non-subscription channels, along with subscription services which were designed to be paid for, distinguishes satellite transmissions from those of Multi-Point Distribution Service (MDS) or subscription television service (STV). The only purpose for an "unauthorized" MDS antenna and downconverter or subscription television decoder is to pick up a signal that was designed to be paid for. We have no objections to the provisions of House Bill 4820 which seek to curtail these activities. However, to the extent that the Bill applies to satellite receive-only earth stations, it could inadvertently apply criminal sanctions to an individual who merely tunes his dial from one channel to another and in the process receives a subscription service such as HBO or Showtime. For this reason, we urge that you delete satellite services from the Bill.



November 5, 1981  
Chairperson Barbara Rose-Collins  
Page Two

There are many reasons to distinguish satellite earth stations in your proposed Bill. SPACE believes there is a moral obligation to pay for subscription services. SPACE and its membership have repeatedly offered payment to the suppliers of subscription services for the reception of their product. The suppliers of subscription services, all of whom are sister corporations to the largest cable television companies, have uniformly refused to accept payment for the viewing of their programming by a satellite earth station dish which does not serve a cable television company. In addition, subscription suppliers have threatened suit for receiving their signal under existing Federal Law. See attached letter from HBO.

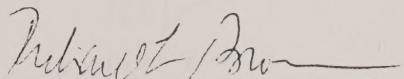
H. B. No. 4820, if applied to satellite earth stations, would make criminals of American citizens for receiving in the privacy of their homes satellite transmissions which are readily receivable and for which they have offered payment.

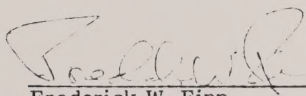
There are two final problems with the legislation as it applies to satellite receive-only earth stations. First, it would be virtually impossible to enforce without infringing on the privacy rights of people in their homes — in order to determine whether an individual was receiving an "unauthorized" subscription service or an "authorized" service it would be necessary to peak through windows. Secondly, the FCC is charged with the development of satellite communications. It has adopted an open sky policy designed to promote the maximum expansion of satellite services. It has specifically certified and type approved various types of earth stations. It has adopted a comprehensive set of regulations for this clearly interstate service. Any attempt by a state to adopt its own regulations in this area would controvert federal preemption.

We would be happy to discuss any of these points with you at your earliest convenience. We also wish to be informed of the dates at which hearings are scheduled on House Bill 4820.

Respectfully submitted,

SPACE,

By:   
Richard L. Brown


By:   
Frederick W. Finn

Attorneys for SPACE

RLB/FWF:mb  
Enclosure: Letter for HBO  
cc: Representative Gingrass  
Representative Koivisto  
Representative Harrington

Representative Lalonde  
Representative Fitzpatrick  
Representative Andrews

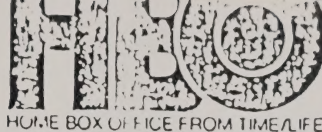




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<https://archive.org/details/lettertochairper00unse>

Ethan J. Podell  
Associate Counsel—Operations



October 27, 1980

Harold T. Humphries  
3114 Ashton Park Drive  
Houston, Texas 77082

Dear Mr. Humphries:

I am in receipt of your letter requesting permission to view the Home Box Office, Inc. programming service ("HBO") on your television receive only earth station. At this time HBO cannot authorize the direct reception of HBO by you on your home earth station.

Please be advised that it is a violation of Section 605 of the Federal Communications Act for an unauthorized person to receive or assist in receiving private satellite television signals and use those signals for his own benefit. Violators of Section 605 are subject to, inter alia, criminal penalties. In addition to the foregoing, there are a number of other rights and remedies available to HBO under various federal and state laws to prevent the unauthorized interception of the HBO signal.

Very truly yours,

Ethan J. Podell

EJP:ck

